

SELF-INSURER'S CLAIMS TRANSFER AGREEMENT

It is agreed between _____, _____, and _____, that all workers' compensation files previously serviced
self-insured employer old service company
new service company
by _____, on behalf of _____ for the
old service company self-insured employer
self-insured period of _____, through _____, shall be transferred
date date
to _____.
new service company

Starting with the date of transfer of the claim files, _____, will assume
new service company
all further responsibility for the proper handling of these files, including reporting to and advising the specific
and aggregate excess insurance carrier(s), in accordance with the excess insurance contracts in force for
the respective self-insured periods. In addition to the files being transferred,
_____, agrees to handle all future claims, pursuant to Rule 13m, reported
new service company
or re-opened for the self-insured period listed above.

It is also agreed that all responsibility of _____, for the future handling
old service company
of claims incurred in the above-mentioned self-insured period, will terminate effective the date of transfer
of claims to _____. However, _____,
new service company new service company
will not be responsible for any actions taken by _____, while it was the
old service company
servicing company of record for _____.
self-insured employer

It is also understood that representatives signing this document have full authority to act on behalf of their
respective organizations and to enter into this agreement and fulfill its responsibilities and obligations provided,
herein.

Self-Insured Employer

By: _____
Signature

Its: _____
Title

Date Signed: _____

New Service Company

By: _____
Signature

Its: _____
Title

Date Signed: _____

Old Service Company

By: _____
Signature

Its: _____
Title

Date Signed: _____

IF THE OLD SERVICE WISHES TO BE RELIEVED FROM FUTURE HANDLING OF CLAIMS TO CONCLUSION, THE OLD SERVICE
COMPANY MUST REQUEST A RELEASE FROM THIS RESPONSIBILITY BY LETTER WITH A COPY OF THIS AGREEMENT ATTACHED.
(Revised 01/97)

R408.43m - EFFECTIVE MAY 11, 1999**R 408.43m Servicing self-insured employers or groups; application; requirements; noncompliance.**

Rule 13m. (1) An individual, partnership, limited liability company, or corporation that desires to engage in the business of providing 1 or more services for an individual self-insurer or a self-insurers' group shall apply to the bureau before entering into a contract with the individual or group self-insurer and shall satisfy the bureau that it has adequate facilities and competent staff within the state to service a self-insured program in a manner that fulfills the employers' obligations under the act and the rules of the bureau. Service may include claims adjusting, loss control services, underwriting, and the capacity to provide required reporting. Any individual, partnership, limited liability company, or corporation that provides claims adjusting or loss control services to an approved self-insured employer, where the self-insured employer has designated within its own organization an individual to be responsible to the bureau for its claims program or loss control services, or both, shall not be considered a service company for purposes of this rule.

(2) An applicant shall apply to the bureau for approval to act as a servicing company for self-insured employers or group funds on a form prescribed by the bureau. The application shall contain answers to all questions. An applicant shall give the answers under oath. The bureau shall approve the application prior to the service company entering into a contract with an approved self-insurer. Approval to act as a service company for self-insurers is granted for a period of 1 year and is subject to renewal annually.

(3) If a service company seeks approval to service claims for self-insurers, then it shall submit proof that it has, within its organization or under contract on a full-time basis, at least 1 person who has the knowledge and experience necessary to handle claims involving the act. The service company shall attach a resume covering the principal person's background to the application of the service company. The principal individual adjusting workers' compensation claims shall hold a current workers' disability compensation adjuster's license under chapter 12 of Act No. 218 of the Public Acts of 1956, as amended, being §500.1201 et seq. of the Michigan Compiled Laws.

(4) If a service company seeks approval to provide underwriting service to self-insurers, then it shall submit proof that it has, within its organization or under contract on a full-time basis, at least 1 person who has the knowledge and experience necessary to provide underwriting services for workers' compensation excess liability insurance coverage. The service company shall attach a resume detailing the principal person's background to the application of the service company.

(5) If a service company seeks approval to furnish loss control services to self-insurers, then it shall submit proof that it has, within its organization or under contract on a full-time basis, at least 1 person who has the knowledge and background necessary to adequately provide loss control and health services.

(6) A service company shall maintain adequate staff in the state. The service company shall authorize staff to act for the service company on all matters covered by the act and the rules of the bureau.

(7) A service company shall attach to the application a copy of its standard service agreement that it will enter into with self-insured employers or group funds. The service company shall certify, in writing, that the service agreement is in compliance with the act and these rules. The service company shall certify, and include a provision in its standard service contract which states, that the contract provides for the handling of all claims with dates of injury or disease within the contract until conclusion of the claims, unless the service company is relieved by the bureau, in writing, of the responsibility for handling claims. If the service contract calls for additional fees for any reason, then the service company shall clearly define the additional fees in the contract. For a service company to be relieved of the responsibility of handling claims to conclusion, the client, the previous service company, and the new service company shall sign a claims transfer agreement. The claims transfer agreement shall be completed on a form prescribed by the bureau and shall include a written request made by the previous service company to be relieved of its claims handling responsibilities to the bureau. A requesting company is relieved of its claims handling responsibility only after receiving a written response from the bureau approving a request. The service company shall certify that it will report to the specific excess insurance carrier or aggregate excess insurance carrier, or both, and put the specific excess insurance carrier or aggregate excess insurance carrier, or both, on notice of all claims as required by the self-insurers' or group self-insurers' insurance policies. The standard service contract filed with the bureau for approval and renewal of the service company authority shall include language specifically stating that the service company is responsible for reporting to the excess insurance carrier. The bureau may waive the reporting requirement upon written request to the bureau. Any dispute involving late reporting of excess liability insurance claims and potential penalties shall be reported to the bureau immediately.

(8) A service company shall certify, and provide for in all service contracts, that all documents generated or prepared by the service company for the group or the individual self-insurer or any materials relating to an individual or group self-insurer held by a service company are the property of the individual or group self-insurer and shall be surrendered to the individual or group self-insurer within 10 days of termination of the service contract, subject to written request by the individual or group self-insurer.

(9) Failure to comply with the provisions of the act constitutes good cause for withdrawal of the approval to act as a service company for self-insurers. The bureau shall give 30 days' notice of withdrawal. The bureau shall give the notice by certified or registered mail, upon all interested parties.

History: 1979 ACS 3, Eff. Sept. 3, 1980; 1984 MR 7, Eff. July 19, 1984; 1996 MR 3, Eff. Mar. 29, 1996; 1999 MR 4, Eff. May 11, 1999.